

1960

## c 242 Mining Tax Act

Ontario

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## CHAPTER 242

**The Mining Tax Act****1. In this Act,**Interpre-  
tation

- (a) "Department" means the Department of Mines;
- (b) "Deputy Minister" means the Deputy Minister of Mines; R.S.O. 1950, c. 237, s. 1, cls. (a, b).
- (c) "fiscal year" means the period for which the accounts of the business of a corporation are ordinarily made up and accepted for purposes of assessment under this Act, and, in the absence of an established practice, the fiscal year is that adopted by the corporation, but no fiscal year may exceed fifty-three weeks, and any change in a usual and accepted fiscal year shall be made for the purposes of this Act only with the concurrence of or in accordance with the direction of the Minister; 1958, c. 60, s. 1 (1).
- (d) "mine" means any opening in or working of the ground from or by which metalliferous ore or other solid mineral substance is taken, and includes the mining claim, mining location or other the whole parcel of land or mineral in which any such workings are being or have been carried on, but the term "mineral substance" or "mineral workings" does not include diatomaceous earth, limestone, marl, peat, clay, building stone or stone for ornamental or decorative purposes, or non-auriferous sand or gravel;
- (e) "mine assessor" means any officer of such designation appointed under this Act and any other officer or person appointed or directed by the Minister to perform any duty or exercise any power or authority by this Act specified or provided to be performed or exercised by a mine assessor;
- (f) "mining rights" includes ores, mines, minerals and mineral rights of every kind;
- (g) "Minister" means the Minister of Mines; R.S.O. 1950, c. 237, s. 1, cls. (c-f).
- (h) "municipality" means a city, town, village, township or improvement district; 1952, c. 60, s. 1.

- (i) "output", when used in reference to a mine, means all ores or other solid mineral or mineral-bearing substances raised, taken or gained from any mine or land in Ontario, and which have been sold, or have been removed from the mining premises where produced, or have been treated or partially treated at any smelter, mill or refinery on the mining premises from which they were taken;
- (j) "person" includes corporation, company, syndicate, trust, firm, partnership, co-owners, or party, and the heirs, executors, administrators or other legal representatives of such person if the context can apply thereto; R.S.O. 1950, c. 237, s. 1, cls. (h, i).
- (k) "taxation year" means, in the case of a mining corporation, fiscal year, and in the case of an individual, partnership or syndicate engaged in mining operations, calendar year, and in the case of an individual, partnership, syndicate or corporation engaged in the production of natural gas, calendar year. 1958, c. 60, s. 1 (2).

When taxes  
accrue and  
when  
payable

**2.—**(1) The taxes imposed under this Act accrue on the last day of the taxation year and the estimated amount thereof is payable to the Minister not later than two months following the close of the taxation year with respect to the tax payable under section 3 and not later than four months following the close of the taxation year with respect to the tax payable under section 15.

Payment  
of balance

(2) Every person liable to pay a tax under this Act shall pay the amount, if any, by which any tax payable as estimated by him to be payable in the return required to be delivered by section 6 or section 19, as the case may be, exceeds the amount paid under subsection 1, at the time of making such return. 1958, c. 60, s. 3.

## PART I

### MINING TAX

Profit tax

**3.—**(1) Every mine, the profit of which exceeds \$10,000 in a taxation year, is liable for and the owner, manager, holder, lessee, tenant, occupier and operator thereof shall pay a tax of,

- (a) 6 per cent on the excess of profit above \$10,000 and up to \$1,000,000;
- (b) 11 per cent on the excess of profit above \$1,000,000 and up to \$5,000,000; and

- (c) 12 per cent on the excess of profit above \$5,000,000.  
1958, c. 60, s. 4 (1).

(2) For the purpose of this section, all mines and mineral workings occupied, worked or operated by the same person or under the same general management or control or the profits of which accrue to the same person shall, for the purpose of determining whether there is liability to taxation hereunder, be deemed to be and be dealt with as one and the same mine, and not as separate mines. R.S.O. 1950, c. 237, s. 4 (2).

- (3) The profit for a taxation year is the difference between, <sup>Ascertain-  
ment of  
profit</sup>

- (a) the amount of the gross receipts from the output of the mine during the taxation year; or
- (b) in case the ore, mineral or mineral-bearing substance or a part thereof is not sold but is treated by or for the owner, holder, lessee, tenant, occupier or operator of the mine, the amount of the actual market value of the output at the pit's mouth; or
- (c) if there is no means of ascertaining the actual market value of the output at the pit's mouth, the amount at which the mine assessor appraises such output,

and the following expenses, payments, allowances or deductions:

- (d) the cost of transportation of any output sold, if paid or borne by the owner, holder, lessee, tenant, occupier or operator;
- (e) the proper working expenses of the mine, both underground and above ground, including salaries and wages of all necessary employees employed at or about the mine and the proper salaries and office expenses for necessary office work done at the mine and at the head office of the mine and in immediate connection with the mining operations;
- (f) the cost of power, light and transportation used in the mining operations and in handling the ore or mineral;
- (g) the net cost of food and provisions supplied to the employees of the mine;
- (h) the cost of explosives, fuel and any other supplies necessarily consumed in the mining operations;
- (i) any proper outlay incurred in safeguarding or protecting the mine or mineral product;



- (j) the cost of proper insurance upon the output, if paid or borne by the owner, holder, lessee, tenant, occupier or operator, and upon the mining plant, machinery, equipment and buildings used for or in immediate connection with the mining operations or for storing the ore or mineral;
- (k) an allowance for depreciation of not less than 5 per cent per annum and not more than 15 per cent per annum of the cost or value as determined by the mine assessor at the close of the taxation year of the mining plant, machinery, equipment and buildings until the full value or cost thereof has been allowed as an expense under this section, but where the mining plant, machinery, equipment and buildings or any part thereof have been disposed of, the proceeds from such disposal shall be applied to reduce the cost or value of any additions thereto in the taxation year, and where such proceeds exceed the cost of such additions, such excess shall be applied to reduce the balance remaining to be depreciated of such assets acquired in previous years, and where no such balance remains to be depreciated, such excess shall be applied to reduce deductions otherwise allowable under this section;
- (l) subject to the approval of the mine assessor and notwithstanding anything in this subsection, at least 15 per cent of the expenditure incurred, following the commencement of production and which has not at any time in a previous year been allowed as an expense, for actual exploration and development work done in Ontario where the work has as its object the finding, testing or opening up of deposits of metalliferous ore or other solid mineral substances on the following conditions:
  - (i) that such expenditure does not include moneys paid in the purchase of, or in acquiring an option to purchase, or in acquiring the right to mine, or an option on the right to mine, such deposits,
  - (ii) that such expenditure was made or borne by the person liable for taxation upon the mine under this Act, and
  - (iii) that separate accounts of such expenditure are kept and furnished in reasonable detail with the return required under section 6; and

(m) donations actually made for charitable, educational or patriotic purposes that are approved by the mine assessor. 1958, c. 60, s. 4 (2).

(4) No allowance or deduction shall be made in respect of, Allowances and deductions not permitted

(a) cost of plant, machinery, equipment or buildings except as provided in subsection 3;

(b) capital invested, or interest or dividend upon capital or stock or investment;

(c) depreciation in the value of the mine, mining land or mining property by reason of exhaustion or partial exhaustion of the ore or mineral;

(d) royalties paid for or in respect of the output of a mine situated on lands not the property of the Crown; and

(e) cost of development of the mine liable for taxation under this Act before the commencement of output therefrom. 1952, c. 60, s. 2; 1955, c. 46, s. 2 (3, 4).

(5) In ascertaining and fixing the profit of a mine for the purpose of this section in respect of the tax payable under this section in 1949 and thereafter, the total of the expenses, payments, allowances or deductions under subsection 3 shall be reduced by an amount equal to any sum paid during the taxation year under the *Emergency Gold Mining Assistance Act* (Canada) and the mine assessor may prorate such deduction to mining and processing costs in such proportions as he deems equitable. 1957, c. 72, s. 1 (5); 1958, c. 60, s. 4 (3). Assistance payments may be deducted from expenses R.S.C. 1952, c. 95

(6) In determining the amount of the tax under this section where the period of production is, in the opinion of the mine assessor, for a period of less than twelve months, the amount of the profit for the period of production shall be multiplied by the quotient of 365 divided by the number of days of production, and the rates mentioned in subsection 1 shall be applied to the product thereof in the same manner as though such product was the true profit for the taxation year, and the amount so determined shall be multiplied by the quotient of the number of days of production divided by 365. 1958, c. 60, s. 4 (4). Part-year production

4.—(1) The owner, manager, holder, lessee, tenant, occupier and operator of every mine, from which ore, minerals or mineral-bearing substances is or are being taken, shall, within ten days after the commencement of such active operations, notify the Department of the fact that the mine is in active operation, and shall give in such notice its name and the name and address of its owner, manager, holder, lessee, Duty to give notice of active operations

tenant, occupier and operator, and the name and address of its manager, or of some other person, to whom notices to be given under this Act may be sent (to be known as the name and address for service) and shall forthwith notify the Department of every change in the name and address of such manager or person, and of every change in the ownership, management, holding, tenancy, occupation or operation of the mine, and of every discontinuance of active operations, and of every recommencement thereof after discontinuance.

List of  
mines

(2) From the information so given and from any other available source, the Department shall prepare and keep a list showing all operating mines in Ontario, with the names and addresses and particulars as so notified and given (keeping in a distinct and separate column or place the name and address for service), and any notice or requisition required or provided for by this Act shall be deemed to have been properly and sufficiently given and served if mailed by registered letter to the person whose name and address for service have been given at such address or, in case such a name and address be not so notified, then if mailed by registered letter to the address that the official or person sending the notice or requisition thinks most likely to reach the proper person. R.S.O. 1950, c. 237, s. 5.

Shipping  
forbidden  
before  
notice

5. No person shall ship, send, take or carry away, or permit to be shipped, sent, taken or carried away, from the mine from which the same has been taken any ore, mineral or mineral-bearing substance, or any product thereof, until he has notified the Department that the mine from which it has been taken is in active operation. R.S.O. 1950, c. 237, s. 6.

Return

6.—(1) Every person liable to pay the tax imposed by section 3 shall, on or before the last day of the month that ends six months following the close of the taxation year, without notice or demand, and every person whether or not liable to pay the tax imposed by section 3 shall, upon receipt of a notice or demand in writing from the mine assessor or from any officer of the Department authorized by the Minister to make such demand, deliver to the Department such return as is required by the mine assessor.

Idem

(2) The return shall contain an estimate of the tax payable and shall be verified by a certificate stating that the information included in the return is in agreement with the books required to be kept under section 7, and such certificate shall be signed by an officer who has personal knowledge of the affairs of the mine, but the mine assessor may require such return or any part thereof to be made or verified under oath. 1958, c. 60, s. 5.



7.—(1) Every person liable to pay the tax imposed under section 3 shall keep, at or near the mine, proper books of account of the ore, minerals or mineral-bearing substances taken from the mine, containing the quantity, weight and other particulars of the same and the value thereof, and showing the returns from the smelter, refinery or mill, or other returns of the amounts derived from the sale of such ores, minerals and mineral-bearing substances; and no ore, mineral or mineral-bearing substance taken out of any mine shall be removed therefrom or treated at any smelter, refinery or mill until the weight thereof has been correctly ascertained and entered in the books of account; and such person shall also keep proper books showing each of the several expenses, payments, allowances and deductions mentioned in section 3, and showing any other facts and circumstances necessary or proper for ascertaining the amount of such tax. <sup>Books to be kept</sup>

(2) If any doubt arises as to where such books are to be kept, or as to how many, or what books are to be kept, the mine assessor shall determine the number and character of the books to be kept and the place at which they are to be kept. <sup>Power of mine assessor as to books</sup>  
R.S.O. 1950, c. 237, s. 8.

8. The Lieutenant Governor in Council may from time to time appoint one or more officers under this Act, to be known as a mine assessor or mine assessors, and the Minister may from time to time appoint any officer or person to perform for the time being, or to perform in any locality or in any special matter or case, the duties of mine assessor, and every such officer or person shall be deemed an officer of the Department, and it is his duty, subject to the direction of the Minister, annually, and oftener if so required, to prepare lists and descriptions of and ascertain and report the facts and particulars concerning all mines, mining properties and mining rights liable, or which might be liable, to taxation under this Act, and to furnish the same to the Department, and to make such investigations and perform such other duties as are provided for by this Act or as are prescribed by the Minister. <sup>Mine assessors' duties</sup>  
R.S.O. 1950, c. 237, s. 9.

9. It is lawful at all times for a mine assessor to enter upon mining premises for the purpose of making inquiries, obtaining information and otherwise performing his duties under this Act, and for any of these purposes he may descend all pits and shafts, and use all tackle, machinery, appliances and things belonging to the mine as he deems necessary or expedient, and he shall be given free ingress and egress to, from and over all buildings, erections and vessels used in connection with the workings, and he shall from time to time <sup>Assessors may enter mines</sup>



be allowed to take from the mining premises such samples or specimens as he desires for the purpose of determining by assay or otherwise the value of the ore, minerals or mineral-bearing substances being taken therefrom, or any product thereof, and he shall be given full and complete access to all books of account and letters kept or used for or in connection with the work and business of the mine, and may examine the same and take copies thereof or extracts therefrom, but any information of a private or confidential nature acquired by an assessor under this section shall not be communicated or disclosed to anyone except so far as is necessary for the purposes of this Act. R.S.O. 1950, c. 237, s. 10.

Preparation  
of tax roll

**10.**—(1) The Department or any mine assessor or other officer or person acting under the direction of the Minister in that behalf shall, as soon as practicable after the receipt of the returns and statements mentioned in section 6, prepare from them and from the lists, statements and reports of the mine assessor a tax roll showing all mines and persons liable for the taxes imposed under section 3, and showing the quantity and value of output for each mine, the amount of deductions therefrom under the various headings as far as practicable, the profits for which each mine and person is assessable, and the amount of tax payable by each, also any deduction entitled to be made therefrom by reason of payment of municipal profits tax, and in making up the rolls the statement furnished pursuant to section 6 is *prima facie* evidence of the information required; but any default or defect in the furnishing of such statement or any omission therefrom shall not prevent the complete preparation of the roll, but in all cases the officer or person charged with the duty of preparing the roll may, subject to the approval of the Minister, make full and careful inquiry as to the correctness thereof, and may resort to all available sources of information within his control, and may make or order a mine assessor to make any investigation he deems fit, and may fix such amount as he believes to be just and correct; provided that, whenever a mine or person is assessed for a larger sum than the statement shows liability for, notice thereof shall be given to such person, and he is entitled within fifteen days from the mailing of the notice to appeal from the assessment as hereinafter provided.

Finalization  
of tax roll

(2) When the time for filing such appeal has expired, the cases appealed shall be marked or distinguished from the others on the roll, and the roll shall thereupon be made up in duplicate, and the Minister shall by his signature authenticate it as being the roll for the year, and subject to the determination of appeals, and subject to any additions or alterations that may be made by or pursuant to any investigation

that may be ordered or directed as hereinafter provided for, the roll is final and conclusive as to the liability of the several mines and persons therein mentioned to pay the tax therein specified.

(3) An appeal under subsection 1 shall be made by lodging with the Department within the time limited a notice in writing stating that the appellant thereby appeals from the tax in question, and stating as far as practicable the grounds of appeal or the particulars of objection to the tax, and the appeal shall be referred in writing by the Minister to the Mining Commissioner or to the Ontario Municipal Board, to be tried and determined. <sup>Notice of appeal</sup>

(4) The Minister, if in any case he sees fit, instead of having the amount of the tax for any mine or person entered on the roll, as mentioned in subsection 1, may direct in writing that the amount of the tax for which such mine or person is liable be ascertained and fixed by the Mining Commissioner or by the Ontario Municipal Board, and the Minister may at any time, either before or after the roll is made up and signed and whether or not the mine or person in question is entered thereon for taxation, direct in writing that the truth or correctness of any statement furnished pursuant to section 6, or that the question of liability or amount of liability of any mine or person for the tax under this Act, shall be inquired into and investigated and reported upon by the Mining Commissioner or the Ontario Municipal Board. <sup>Investigation in lieu of appeal</sup>

(5) The Mining Commissioner or the Ontario Municipal Board shall, upon receiving a direction or reference under subsection 3 or 4, proceed to try and dispose of the appeal, or determine or inquire into and investigate the question or matter so referred or directed to be investigated, and for all and any of such purposes has the same power to enforce the attendance of witnesses, and to compel them to give evidence, and produce documents and things, as is vested in any court in civil cases, and the decision of the Mining Commissioner or the Ontario Municipal Board, after giving the parties an opportunity to be heard, is for the purposes of this Act final and conclusive as to the particulars therein mentioned, subject only as hereinafter in this section provided. <sup>Hearing of appeal</sup>

(6) In any such proceedings or investigation, or on an appeal, the Mining Commissioner or the Ontario Municipal Board may order the appellant, or the person causing the investigation by reason of false or incorrect statements, or failure to keep books and accounts or to otherwise conform to this Act, to pay the costs of such appeal, proceeding or investigation, and may direct that they be taxed by a taxing officer of the Supreme Court and added to the tax for which such person is liable under this Act. <sup>Costs</sup>



Filing  
decision

(7) All decisions, findings and reports made by the Mining Commissioner or the Ontario Municipal Board pursuant to this section shall be filed with the Department, and notice of the filing shall forthwith thereafter be mailed by the Department to the owner or manager of the mine concerned.

Appeal to  
Court of  
Appeal

(8) In any case where the amount of the tax involved exceeds \$1,000, an appeal lies from any decision, finding or report of the Mining Commissioner or the Ontario Municipal Board under this section to the Court of Appeal; provided that notice of such appeal is lodged with the Department within fifteen days after the filing of such decision, finding or report with the Department, and the procedure upon and governing such appeal shall be, as far as may be, the same as upon an appeal to the Court of Appeal in an action, but leave is not necessary, and the decision of that court is final. R.S.O. 1950, c. 237, s. 11; 1956, c. 47, s. 12.

Adjustment  
of tax after  
appeals

(9) Where an appeal is taken under this section, the amount by which the amount of tax finally determined is more or less than the amount then paid shall be payable by or remitted to the person liable for such tax, as the case may be, forthwith. 1958, c. 60, s. 6.

Notice of  
assessment

**11.**—(1) The mine assessor, after examining the return delivered under section 6, shall send a notice of assessment to the person liable for the tax payable by section 3 confirming or altering the amount of the tax as estimated in the return and any tax found to be payable over the estimated amount shown in the return shall be paid within one month after the mailing of the notice of assessment, whether or not an appeal is taken under section 10.

Refunds

(2) Where the amount of the tax is found to be less than the amount then paid, the amount by which such payment is more than the tax shall be remitted forthwith to the person liable for such tax. 1958, c. 60, s. 7.

Allowance  
for profits  
tax paid  
to municipality or  
school board

**12.** Where a person liable for payment of tax under section 3 is also during any year in which such tax is payable liable for and paying to a municipality or a school board of a school section in territory without municipal organization, a tax upon the profits of a mine situated therein, he is entitled to deduct from the tax payable under section 3 an amount equal to the sum for which he is liable to the municipality or school board under subsection 11 of section 35 of *The Assessment Act*, if proof of the payment thereof is furnished to the mine assessor at such time and in such manner as he requires. 1952, c. 60, s. 3.

R.S.O. 1960,  
c. 23



**13.** In case any doubt or dispute arises as to the liability of any person to pay a tax or any part of a tax demanded under this Act, or where owing to special circumstances it is deemed inequitable to demand payment of the whole amount imposed under this Act, the Minister may compromise the matter by the acceptance of such amount as he deems proper; and in case the tax claimed has been paid under protest he may refund it or any part of it to the person making such payment. R.S.O. 1950, c. 237, s. 25. <sup>Compromise of tax</sup>

**14.** The Minister may remit the tax upon the profits arising out of the mining of iron ore where he is satisfied that the iron ore has been smelted in Canada or delivered to a blast furnace therein for the purpose of being smelted. R.S.O. 1950, c. 237, s. 45. <sup>Remission of tax on iron ore profits</sup>

## PART II

### NATURAL GAS

**15.—(1)** Every person producing natural gas is liable for and shall pay an annual tax as follows: <sup>Tax on natural gas</sup>

1. Where exported from Canada—2 cents a thousand cubic feet.
2. Where consumed in Canada—one-half cent a thousand and cubic feet.

**(2)** The Minister may remit the annual tax to the extent of \$250 on natural gas consumed in Canada. R.S.O. 1950, c. 237, s. 27. <sup>Remission of tax</sup>

**16.** The owner, lessee, tenant, occupier or operator of one or more wells shall keep a book continuously at a place in Ontario fixed by the mine assessor in which he shall truly and faithfully record the total quantity of gas flowing, drawn or pumped from, or produced by the well or wells operated by him. R.S.O. 1950, c. 237, s. 28. <sup>Books to be kept</sup>

**17.—(1)** The mine assessor may inspect at any time all apparatus and machinery used in connection with any well, for the purpose of estimating or ascertaining the quantity of gas flowing, drawn or pumped from or produced by any well. <sup>Inspection: apparatus</sup>

**(2)** The mine assessor may examine at any time the book referred to in section 16 and may call for and examine all books, records and memoranda, whether the same are required by law to be kept or not, kept by the owner, lessee, tenant, occupier or operator or any one or more of them, for the purpose of ascertaining the quantity of gas flowing, drawn or

pumped from or produced by any well; and the owner, lessee, tenant, occupier or operator shall forthwith upon demand produce to the mine assessor all such books, records and memoranda for the purposes aforesaid. R.S.O. 1950, c. 237, s. 29.

When meter  
to be affixed

**18.**—(1) If the mine assessor has reason to believe that the amount of gas produced by any well is not correctly shown by the book required to be kept, or by other books, records or memoranda as aforesaid, he may direct that a meter shall be affixed by the owner, lessee, tenant, occupier or operator to every main pipe or duct through which all of the gas flowing, drawn or pumped from the well or wells passes, so as to indicate the total gross quantity of gas flowing, drawn or pumped from, or produced by the well or wells.

Defective  
meters to be  
remedied

(2) The meter may be inspected and tested at any time by or at the request of the mine assessor for the purpose of ascertaining whether it correctly records the quantity of gas flowing, drawn or pumped from, or produced by the well or wells, and in case he finds that it is not truly recording the quantity of gas flowing, drawn or pumped from, or produced by the well or wells, he may by a writing under his hand order that it be put in order forthwith so as to furnish a true record, or he may order that a new meter be affixed forthwith to the pipe or duct; and the owner, lessee, tenant, occupier or operator shall cause the order to be obeyed forthwith.

Meter not  
correctly  
placed

(3) If the mine assessor finds that the meter is so placed that the total quantity of gas flowing, drawn or pumped from, or produced by the well or wells does not pass through the meter, he may by a writing under his hand order that it be so placed that all of the gas proceeding from the well or wells passes through it, and the owner, lessee, tenant, occupier or operator shall cause the order to be obeyed forthwith. R.S.O. 1950, c. 237, s. 30.

Return

**19.**—(1) Every person liable to pay the tax imposed by section 15 shall, on or before the last day of the month that ends six months following the close of the taxation year, without notice or demand, and every person whether or not liable to pay the tax imposed under section 15 shall, upon receipt of a notice in writing from the mine assessor or from any officer of the Department authorized by the Minister to make such demand, deliver to the Department such return as is required by the mine assessor.

Idem

(2) The return shall contain an estimate of the tax payable and shall be verified by a certificate stating that the information included therein is in agreement with the book required

to be kept under section 16, and such certificate shall be signed by an officer or person who has personal knowledge of the affairs of the well or wells, but the mine assessor may require such return to be made or verified under oath. 1958, c. 60, s. 8, *part.*

**20.**—(1) The mine assessor, after examining the return delivered under section 19, shall send a notice of assessment to the person liable for the tax imposed by section 15 confirming or altering the amount of the tax as estimated in the return, and any tax found to be payable over the estimated amount shown in the return shall be paid within one month after the mailing of the notice of assessment whether or not an appeal is taken under section 21. Notice of assessment, under-payments

(2) Where the amount of the tax is found to be less than the amount then paid, the amount by which such payment is more than the amount of the tax shall be remitted forthwith to the person liable for such tax. 1958, c. 60, s. 8, *part.* Refunds

**21.**—(1) If the owner, lessee, tenant, occupier or operator appeals the notice given under section 20, the dispute shall be heard by the Mining Commissioner or the Ontario Municipal Board as the Minister directs, and the decision of the Mining Commissioner or Board, as the case may be, is final and conclusive, and the quantity so found shall be entered on the return required under section 19 as the true quantity and the tax for such period shall be computed thereon. Disputed notice

(2) Where an appeal is taken under subsection 1, the amount by which the amount of tax finally determined is more or less than the amount then paid is payable by or shall be remitted to the person liable for such tax, as the case may be, forthwith. 1958, c. 60, s. 8, *part.* Adjustment

**22.** A municipal corporation shall not be required to pay any tax under this Part upon any gas actually used in Canada. Exemption of municipal corporation  
R.S.O. 1950, c. 237, s. 34.

### PART III

#### GENERAL

**23.**—(1) Where the amount paid on account of tax payable under this Act by a person for a taxation year, before the expiration of the time allowed for delivering of the return under section 6 or section 19, is less than the amount of tax payable for the taxation year, the person liable to pay the tax shall pay interest on the difference between those two amounts from the expiration of the time for delivering the return to the date of payment at the rate of 6 per cent per annum. Interest on unpaid tax



Idem

(2) Where a person is required by subsection 1 of section 2 to pay a tax imposed by this Act and he has failed to pay all or any part thereof as required, the person, in addition to the interest payable under subsection 1, shall pay interest on the amount he failed to pay at 6 per cent per annum from the day on or before which he was required to make the payment to the day of payment or the beginning of the period in respect of which he becomes liable to pay interest thereon under subsection 1, whichever is earlier.

Ten per cent  
to be added  
for default

(3) Where any tax imposed under this Act is not paid at the time provided, 10 per cent shall be added thereto forthwith and 10 per cent shall be added on the same day of each year thereafter so long as the tax remains unpaid, and such additional amounts shall for all purposes be deemed to be a tax payable under this Act. 1958, c. 60, s. 9.

Penalty for  
failure to  
comply with  
s. 6 or 19

**24.** Every person who is required to deliver a return under section 6 or to furnish a statement under section 19 shall, in case of failure to deliver the return or furnish the statement, as the case may be, incur a penalty of \$20 per day for each day during which the default continues, which penalty shall be added to and become part of the tax payable under this Act, and every such person is also liable to pay a tax of double the amount otherwise payable, and any such penalty and double tax shall be recovered from any person liable therefor in an action brought in the name of the Minister to be tried by a judge without a jury. 1958, c. 60, s. 10.

Penalty for  
non-compli-  
ance with  
orders

**25.** If any order made under subsection 2 or 3 of section 18 is not complied with within a reasonable time after it has been delivered, the owner, lessee, tenant, occupier or operator is liable to a penalty of \$10 for every day from the delivery of the order until it is complied with, to be recovered with costs by action at the suit of the Minister in any court of competent jurisdiction as a debt due, and the owner, lessee, tenant, occupier or operator is also liable for double the tax computed upon the amount of gas estimated by the mine assessor to be passing through the pipe or duct during such period. R.S.O. 1950, c. 237, s. 44.

Special lien  
and priority  
of the tax

**26.** All taxes, double taxes, added percentages, penalties and costs payable under this Act are a special lien on the mine, mining location, mining claim, land or mining rights and upon all ore, minerals or mineral-bearing substances taken therefrom, and upon the gas well or wells and the leases of and rights respecting the same and upon all machinery upon or connected with the mine or gas well or wells in priority to

every claim, privilege, lien or encumbrance of any person, whether the right or title of such person has accrued before or accrues after the attaching of such lien, and its priority shall not be lost or impaired by any neglect, omission or error of any official, officer or person, or by want of registration, and such lien may be realized by action for sale of any or all property, leases and rights subject to such lien. R.S.O. 1950, c. 237, s. 36.

**27.** If any tax imposed under this Act is not paid when due, the same, together with all additions of percentage, double tax, penalties and costs payable under this Act, may be recovered from the owner, lessee, tenant, occupier or operator of the mine or well by an action at the suit of the Minister in any court of competent jurisdiction, together with the costs of the action. R.S.O. 1950, c. 237, s. 37, *amended*. Action to  
recover tax

**28.—(1)** In addition to any other remedy for the recovery of any tax imposed under this Act, an injunction or an order in the nature of an injunction or the appointment of a receiver with all necessary powers, or such other relief or remedy as seems necessary or expedient for securing payment of the tax, may, in any case where any tax under this Act is overdue or where the payment of any accrued or future tax seems endangered, be obtained in the Supreme Court or county or district court at the instance and in the name of the Minister to prevent the removal, transportation or transmission of any ore, mineral or mineral-bearing substance, or natural gas, or to prevent or restrict mining operations or the production or waste of natural gas, or to provide for such operations or production upon such terms and conditions as seem proper. Injunction  
or receiver

**(2)** Where natural gas is wasting in such quantity that the mine assessor deems that payment of any tax due or to become due thereon is endangered, he may give notice in writing to the owner or person in charge of the well from which the gas is flowing, or may post up notice at or near such well requiring stoppage of the waste, and if the waste is not effectively prevented within six days thereafter the mine assessor may, with the consent of the Minister, forthwith close up or direct and procure the closing up of such well in such way as he deems suitable and proper, and the mine assessor has all rights and powers necessary therefor, and the expenses of the closing up as certified by the mine assessor shall, subject to appeal as provided by section 10, be added to and be deemed part of the tax under this Act. R.S.O. 1950, c. 237, s. 38. Closing up  
natural gas  
well where  
tax  
endangered  
by waste

Action by  
Minister  
does not  
abate

**29.** Any action that may be brought under this Act may be brought by the Minister as plaintiff, and it is not necessary to name the Minister, and the action does not abate by reason of a change in the person of the Minister or by reason of the office being vacant at any time, but the action may proceed as though no change had been made or no vacancy existed. R.S.O. 1950, c. 237, s. 39.

Distress

**30.** Where default is made in the payment of any taxes imposed under this Act, the taxes, together with all additions of percentage, double tax, penalties and costs, may be levied and collected by distress, together with costs of distress, upon the goods and chattels wherever found of the person or any person liable therefor, under warrant signed by the Minister or Deputy Minister, directed to the sheriff of any county or district in which the person in arrear may have any goods or chattels, and in such case the sheriff shall realize the amount directed to be realized by the warrant and all costs by sale of such goods or so much thereof as may be necessary to satisfy the amount directed to be levied by such warrant. R.S.O. 1950, c. 237, s. 40.

Offence, false  
information

**31.** Every person knowingly making or signing any false statement or furnishing any false or incorrect information to the Department or a mine assessor or giving any other false or incorrect information to any officer or person in respect to any other matter or thing required under this Act, or keeping or causing to be kept any false or incorrect book or accounts regarding anything required under this Act, with intent to deceive is, in addition to any other liability, guilty of an offence and on summary conviction is liable to a fine of \$200. R.S.O. 1950, c. 237, s. 41.

Offence,  
disclosing  
information,  
etc.

**32.** Every person contravening section 5 and every person contravening section 9 by communicating or disclosing any information contrary to the provisions thereof is guilty of an offence and on summary conviction is liable to a fine of \$50. R.S.O. 1950, c. 237, s. 43.

#### REGULATIONS

Regulations

**33.** The Lieutenant Governor in Council may make regulations for carrying out the purposes of this Act. R.S.O. 1950, c. 237, s. 46.

Effect of  
1959 amend-  
ments when  
proclaimed

**34.** The amendments to the provisions of *The Mining Tax Act* in *The Mining Tax Amendment Act, 1959* when proclaimed in force shall be deemed to be amendments to the corresponding provisions of this Act. *New.*